

# Agricultural Situation

NOVEMBER 1956

Vol. 40, No. 11

Agricultural Marketing Service  
U. S. Department of Agriculture

## WATCH FOR CATTLE SHRINKAGE DEALS

Which cattle producer ends a season with more dollars in his pocket—the "top dollar" producer or the "net return" producer? The producer who shoots for the highest possible price per pound? Or the producer who makes allowances for shrinkage and weighing conditions when he considers an offer?

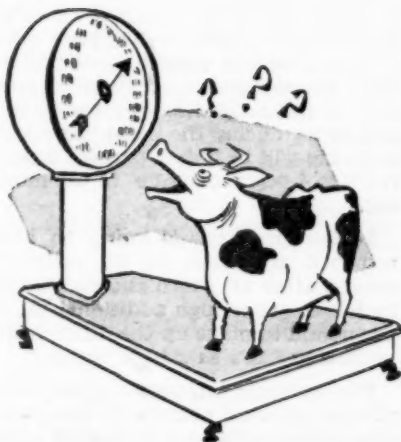
That's an important and a tricky question. Particularly it's important for producers who sell stockers or feeders at the ranch or some other local point.

Often the producers bypass themselves out of a chance to get the highest net profit for their cattle.

But they don't have to. They can bargain just as shrewdly as the buyer, even though their experience in major sales doesn't equal his. They should keep records on shrinkage experience; bear a few important points in mind.

Here are the points:

1. The highest price per pound doesn't necessarily mean the highest profit per animal. It depends upon how many pounds are counted. A lower pound price on cattle as they stand can be more profitable than a higher pound price when the buyer is allowed to subtract too many pounds for shrinkage.



2. If cattle sold with a pencil shrink are weighed early in the morning, then the buyer is getting the benefits of two shrinkages in the weight. That may be a better deal for him; a worse deal for you.

3. If animals are moved off the ranch and weighed on scales away from the ranch, the weight of the cattle shrinks some more. It's up to you to know how much and to allow for it. Shrinkage records do this.

4. Weighing away from the ranch also involves certain incidental expenses. You pay them. You have the right to allow for them in considering a price.

Buyers generally agree that the weight of the average animal will decrease from 3 to 4 percent if it has gone without food or water for from 8 to 12 hours.

This is called excretory shrink, loss of belly fill. The buyer is allowing for this when he asks that the poundage of the animals be calculated not at actual weight but at the estimated weight after an overnight stand in a dry lot.

Sometimes the buyer will put this another way. If this weighing condition can't be placed in the sales agreement, he may ask that the weight figure be reduced 3 to 4 percent to allow for the fill the animals are assumed to be carrying.

This is called a pencil shrinkage. It is something for the producer to watch. Sometimes the pencil shrinkage asked is more than 3 to 4 percent—sometimes less. For example, it's generally agreed that if the animal has access to food and water during the night, his weight probably will be only 2 percent lighter, not 3 to 4 percent lighter, in the morning.

If the producer is going to allow a pencil shrinkage or an estimated weight after an overnight stand, then he has to get enough additional money per pound to make up the difference in poundage. It's as simple as that.

For example, suppose a buyer offers \$20 per hundred pounds for 400-pound steer calves without a shrinkage allowance. Another buyer offers \$20.50 at a 4-percent pencil shrinkage. Which deal is more profitable?

The first offer means that the producer gets \$20 per hundred pounds times 4, since each calf is estimated to weigh 400 pounds. He gets \$80 per head.

The second offer means that the producer gets \$20.50 per hundred pounds. But now the calf is estimated to weigh only 384 pounds, because of the 4-percent shrinkage.

The \$20.50 is times  $3\frac{84}{100}$ , not times four. Therefore the producer gets only \$78.22 per head.

Obviously, the extra 50 cents per hundred pounds the producer obtained did not make up for the loss of poundage when he permitted a 4-percent pencil shrink. In this case, the lower price without shrink would have been more profitable.

A glance at the table will show, though, that the producer could have allowed a 4-percent shrink and adequately compensated himself if he could have gotten \$20.83 per hundred pounds instead of \$20.50. But if the \$20.83 price wasn't possible, then he would have made more money by accepting the lower price without shrinkage.

In general, the lower the base price, the smaller the increase in pound price needed to compensate for a shrinkage allowance. The higher the price, the larger should be the price increase to allow for shrinkage. For example, if the producer had been offered \$22 per hundred pounds without shrinkage, he would have had to ask \$22.92 with shrinkage to be compensated adequately.

Here's how weighing cattle early in the morning works against the producer—unless he's alert.

The calf weighed, let's say, 408 pounds the night before. In the morning, due to loss of belly fill, his weight is down at least 2 percent. He now weighs only 400 pounds, perhaps less. His weight will be back to 408 pounds in a few hours—his tissues haven't

**The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.**

The Agricultural Situation is a monthly publication of the Agricultural Marketing Service, United States Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Bureau of the Budget (January 16, 1956). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

shrunk, of course—but in the meantime he's counted at 400 pounds. At \$20.50 per hundred, that's a loss of \$1.64 per head to start with for the producer. The buyer has already had the benefit of a 2-percent pencil shrink.

Now if the producer has agreed to a 4-percent pencil shrink in addition, the calf is counted—and paid for—as though he weighed only 384 pounds, though in a few hours his weight will be 408 pounds.

So the buyer gets the benefit of a double shrink.

The producer gets—experience. Unless he remembers to settle for a price that will allow for two shrinkages, not just one.

If the cattle are transported off-ranch for weighing, expect them to lose weight—possibly as much as 2 percent per hour for the first 2 hours.

That loss, of course, is still another natural shrinkage. Once again it cuts down the number of pounds for which you are going to be paid.

This shrinkage can't be prevented. But it can be anticipated. You can soon discover just how much it is likely

to be by keeping shrinkage records, if ranch scales are available. Once you know, you can make it up to yourself by adjusting the price.

Incidental expenses for off-the-ranch weighing add up, whether it's trucking, yardage or selling costs. Don't forget to total them when you are figuring out your price. Once again, records will help.

Finally, even if you have your own scales and don't have to leave the ranch for weighing, shrinkage records are a great help. They tell you in an instant what your experience has been in marketing your cattle under different conditions.

Certainly you can never hope to match your total sales experience against the sales experience of a professional cattle buyer. But with records you do have at your fingertips the accumulated experience you have gained about **YOUR SALES**. And you know more about these sales than any buyer can ever hope to know.

Charles B. Brotherton, *AMS*  
Office of Western Livestock Research  
Committee, Denver, Colorado

### Cattle Price per 100 Pounds Needed To Compensate for Shrinkage

Base price per 100 pounds	Shrinkage allowance				
	2%	3%	4%	6%	8%
\$15.00-----	\$15. 31	\$15. 46	\$15. 62	\$15. 96	\$16. 30
\$16.00-----	16. 33	16. 49	16. 67	17. 02	17. 39
\$17.00-----	17. 35	17. 53	17. 71	18. 09	18. 48
\$18.00-----	18. 37	18. 56	18. 75	19. 15	19. 57
\$19.00-----	19. 39	19. 58	19. 79	20. 21	20. 65
\$20.00-----	20. 41	20. 62	20. 83	21. 28	21. 74
\$21.00-----	21. 43	21. 65	21. 88	22. 34	22. 83
\$22.00-----	22. 45	22. 68	22. 92	23. 40	23. 91
\$23.00-----	23. 47	23. 71	23. 96	24. 46	25. 00
\$24.00-----	24. 49	24. 74	25. 00	25. 59	26. 08
\$25.00-----	25. 51	25. 77	26. 04	26. 59	27. 17

# GET YOUR GREEN CARD MR. COTTON FARMER!

FORM CN-117		U. S. DEPARTMENT OF AGRICULTURE	
		AGRICULTURAL MARKETING SERVICE	
COTTON CLASSIFICATION MEMORANDUM Form 1			
Gin Bale No.	5001		
Whse. Bale No.	4637	502999	
Date	9-6-56		
Mid	1 - 1/16		
Grade	Staple	Reduced From	a/c or Remarks
<p><i>John D. Doe</i> Chairman, Board of Cotton Examiners.</p> <p>We certify that according to the Official Cotton Standards of the United States the grade and staple length of the sample of cotton herein identified are as shown above. This classification applies only to the sample as and when submitted.</p>			

If you have a green card which looks like the one shown above, it may mean more money to you.

That's the card that gives you grade and staple of every bale you want sampled. You can have it for the asking, just the way you get your crop report. Just instruct your Smith-Doxey sampler (usually your ginner) to send the sample to the Federal classing office.

To make sure you have it, better take another look at that green card.

Once you have the green card, one thing is certain. You are in a very special group—the best informed group of cotton growers in the history of the world.

But let's start at the beginning. That would be the Smith-Doxey Act.

Under this act, the Secretary of Agriculture provides a classification and market news service to groups of farmers organized to promote the improvement of cotton. If you are not getting this free service, it's time to see your county agent.

The classing office will be glad to mail you a separate green card for every bale sampled. Each such green card shows you grade and staple.

Grade and staple known, it's a simple matter to figure the market price by consulting the quotations found in the other half of the service, the Farmers' Weekly Cotton Price Report. It is published by the Cotton Division of the Agricultural Marketing Service, U. S. Department of Agriculture.

You can get the report—and the CCC loan values if you haven't them already—by writing this agency at any of the following addresses:

Box 7068, Station C, Atlanta 9, Ga.

P. O. Box 8014, Crosstown Station, Memphis 4, Tenn.

Room 506, U. S. Terminal Annex, Dallas 22, Tex.

P. O. Box 2328, Phoenix, Ariz.

The weekly Cotton Price Report shows the price differences in designated markets. The futures reports

come from radio, television, or newspaper. You obtain the market price for each grade and staple by adding or subtracting the quotations in the report from the current futures price.

### Check Market Prices

Suppose, Mr. Cotton Grower, that your nearest designated market is Memphis. You have a green card which shows your bale is, let's say, Middling 1- $\frac{1}{16}$ ".

Your radio has just told you that December New York futures closed at 34.22 cents per pound. Check. You'll find that the premium for Middling 1- $\frac{1}{16}$ " at Memphis that day was, say, 60 points or 0.6 cent per pound above the New York December futures prices. That means a spot price of 34.82 cents per pound for that grade and staple at Memphis.

Your 1956 CCC loan rate table tells you that the loan value for Middling 1- $\frac{1}{16}$ " in Memphis is 34.21 cents. Now you know the picture. You can decide whether to put the bale in the loan at 34.21 cents and hope for a higher price later or whether to sell presently for somewhat above loan value.

That's what we mean by saying that you belong to the best informed cotton growers' group in the history of the world. You can consult your crop report. Your futures. Your market report. Your CCC loan values.

With the green card, all these facts mean something. They're not just statistics or something someone is saying on the radio. With the help of the green card, you can decide what these facts mean for every bale you own.

Of course, the selling of cotton is a bargaining and trading operation. Prices will sometimes vary from market to market and from one time to another. The green card isn't a crystal ball.

It's a chart, though. Charts with facts do definite things. They eliminate guesswork. With the facts you're going to judge right, much of the time. The percentage is with you.

Rodney Whitaker, Deputy Director  
Cotton Division, AMS

## LESS ALFALFA SEED FORECAST

Production of alfalfa seed for 1956 is forecast at 162,931,000 pounds by the Crop Reporting Board.

This is 23 percent below last year's record figure. It is 42 percent above the 1945-54 average of 114,345,000 pounds.

Only 925,000 acres of alfalfa seed were harvested this year. This is the lowest acreage mark since 1951. It more than offset a new national record for yield per acre—176 pounds.

The best previous yield per acre, 156 pounds, had been in 1954. The 1955 yield was 153 pounds, 23 pounds less. Average for 1945-54 was only 112 pounds, 64 pounds less.

Key to the yield increase is in the West, particularly California, which now supplies 48 percent of the crop. Most alfalfa seed growing States on the Pacific Coast and in the Rocky Mountain area have much larger yields per acre than the more easterly States and all have sharply increased acreage in recent years.

Imports shrank to 359,000 pounds during the year ending June 30, 1956. This was considerably lower than the 631,800 pounds of a year earlier and a mere whisper of the 10-year average of 9,520,050. Exports, however, rose to 11,777,896 during the same period, compared with 10,604,558 pounds a year ago and the average of 2,376,058 pounds.

### Supplies Decrease

Domestic disappearance during 1955-56 is estimated at 183,489,000 pounds, compared with 157,361,000 pounds last year and the 10-year average of 105,525,500 pounds.

Current supplies, including estimated 1956 production and estimated carry-over on June 30, are likely to be 236,964,000 pounds. This is 12 percent less than a year ago. But it is 69 percent above the 10-year average.



## POPULAR VEGETABLE SEEDS RECORDED ON HIT PARADE

America's Hit Parade of Vegetable Seeds has reached commercial vegetable growers throughout the country, courtesy of Crop Reporting Board.

Starring in the 1956 Vegetable-Seed Stocks Surveys are a number of new performers. These are vegetable varieties which reporter-growers agree are extremely popular today, though they were not even close to the first ten in their field back in 1940, when the first survey was made.

Dropped, inevitably, from the current list are a few once-familiar varieties that Americans enjoyed in 1940 but which haven't been able to hold their old spot in the Vegetable Popularity Parade.

Spinach? Still a major factor in the 1956 vegetable picture, but less so than 16 years ago.

Take a good look at the new list, in fact, and you may get a surprise. You are likely to conclude that the public is more faithful to its favorite vegetables than it is to its human idols in some other fields—sports and entertainment, for example.

Actually a large proportion of the new vegetable stars made their way into the current Survey on their own merits—proven by long and patient experimentation by the Department of Agriculture—rather than by elbowing aside some oldtime favorites.

Radishes are a good example. Five specific varieties or types were listed in 1940. Four of those 5 are still listed in the current Survey and 3 new varieties have been added for a total of 7. Similarly, 2 of the 3 varieties of peppers in the 1940 Vegetable Popularity Parade are still there for 1956, but 4 new types now enjoy practically equal patronage.

Onions are a third example. Ten of the 12 varieties of 1940 made the grade again in 1956. But 7 new types brought the total to 17. Three of the new varieties are hybrids—a development undreamed of in 1940.



There seem to be all sorts of reasons why Americans are broadening their vegetable diet rather than merely discarding the old and trying the new.

Some reasons are relatively simple. Tomatoes, for example, have gained in popularity. Peas and lima beans similarly benefited by increased use of frozen vegetables. Top Crop beans, another Department of Agriculture introduction, are particularly liked by the commercial grower, because of their wide adaptation, high quality, and earliness.

Other reasons, though, have a tantalizing chicken-and-egg angle to them. For example, which came first? The popularity of salad or the wartime garden? Did Americans begin to enjoy salad more than ever when they began growing vegetables personally in wartime gardens? Or was the wartime garden so widespread because Americans couldn't give up salad?

Whatever the answer to some of these problems, it has resulted in benefit to the American grower, both commercial and personal. Imports of vegetable seed never have regained their comparative prewar importance.

Even Denmark and the Netherlands are not the competitors they were before the start of World War II. And France and Japan are a long way from recapturing their prewar vegetable seed markets.

**HONEY!**



Like baseball players, honeybees refused to work in the rain this year—and so Americans will have to get along with 16 percent less honey than was produced in 1955. Crop Reporting Board says 1956 production will be only 213,719,000 pounds, compared with 252,799,000 last year.

Heavy rainfall kept the bees in hives, that is, if they were bees living in the North Atlantic or East North Central States. But they used the opposite ex-

cuse—drought—to down antennas and drone off to the hive if they were Texas honeybees. Texas production is down 42 percent.

Labor shortage couldn't be blamed for the low yield, growers report, because this year's honey crop was produced by 5,315,000 colonies of bees, just about as many as usual.

Consequently the comparatively low yield showed up on the bee's individual record or at least the working record for its colony. Honey production per colony is down to 40.2 pounds this year, compared with 47.7 pounds in 1955 and the 1950-54 average of 43.6 pounds.

It all adds up to confusion and disillusionment for observant schoolchildren. The only bees who can really hold their heads up now when humans come out to observe them will be those living in the Southeastern States. They materially bettered production.

## **Orange and Tangerine Growers Get Boost From Big Exports**

Orange and Tangerine Growers: It's a pretty safe bet that when all the figures are totaled, you'll find that you exported about twice as many fresh oranges and tangerines to Europe in the 1955-56 season as you exported in 1954-55.

Also, that your exports of canned and frozen orange juice to Europe this season will be up more than 50 percent over the 1954-55 figures.

From November 1955 through July 1956—still 3 months short of the full 1955-56 season—exports of the fresh fruit reached 8.3 million boxes.

This is only slightly less than the 8.5 million boxes exported during the entire 12 months of 1954-55. And the 8.5 million boxes include exports under the Government program.

Similarly, exports of the three varieties of canned and frozen orange juice ran like this at the three-quarters mark for 1955-56:

Canned orange juice, single strength, 7.6 million gallons for the first 9 months of 1955-56 compared with 7.1 million gallons for all 12 months of 1954-55.

Orange juice concentrate, 1.1 million gallons for 9 months of 1955-56 compared with 0.9 million gallons for all of 1954-55.

Frozen concentrates, 2.1 million gallons for 9 months of 1955-56 compared with 2.3 million gallons for all of 1954-55.

Biggest reason for the jump, of course, is that frost severely damaged the 1955-56 Spanish citrus crop and kept Spanish oranges out of the Western European market to any considerable extent last spring and summer. The frost also badly damaged many orange trees. This will continue to hamper Spanish competition for at least 5 years.

## "Bert" Newell's Letter

In the course of a year, I get quite a few letters from our farflung staff of voluntary reporters and others who are interested in the crop and livestock reporting service. They cover a wide range of subjects and are most helpful to all of us, because I feel they keep us in touch, in a friendly informal sort of way, with the major part of our staff that we could not hope to contact personally.

But now and then someone argues that we should stop all reporting because dealers use the reports. I am tempted at times to reply with the slang expression, "Who do you think you're kidding?"

Seriously though, I hope they do use the reports, because as long as they use the official information, there isn't much to worry about. It's the rumor or propaganda line that's dangerous.

Sometimes when things aren't going too well and we're tired, we tend to skip over little things and look around for something on which to blame our misfortune. Take me for example: I was preparing a place in my lawn to reseed. I was getting pretty tired and I slipped over a corner or two. I could rake it over and no one would ever know the difference—not now anyway. But when the seed came up everyone would know I had done a sloppy job. I suddenly realized that I was just kidding myself to get out of work, so I did over those corners.

It just occurred to me that doing something ornery or dishonest is sometimes like planting seed in a poorly prepared seed bed. It may be quite a while before it shows up but sure as guns someday that seed is going to sprout, then everybody will know and we'll harvest a crop of ill will, or something worse.

But getting back to our crop reports, the ideas some folks have that we should keep production a secret is just

a very dangerous way of kidding ourselves. In the first place, you can't hide production very long. I saw an article not long ago by an apple grower—the title was "You can't hide 30 million bushels of apples." And you can't. But just suppose you could and also could hide some 3 billion bushels of corn, or 13 million bales of cotton, or a few million pigs—where would it leave you? Just remember, this wouldn't be a case of your having the information and nobody else—no one would have it.

When you meet the buyer in the market place you would both be almost entirely in the dark with respect to total supply. Under these conditions, the buyer would be overcautious and hold prices as low as possible. On the other hand, you would be hard pressed to defend yourself. Either way, ignorance is a poor basis for operations and someone is bound to lose.

The truth of the matter is that markets are necessary concentration points. And it is much easier to get information on a relatively few markets than on many, many thousands of individual farms.

So you, as a farmer, would end up in a market with some information on the immediate market supplies, but nothing on total production except hearsay and possibly deliberate falsification.

That's what we had before there was unbiased crop reporting and no one would want to go back to those days of wide swings in prices and the wild speculation. That's what you would certainly have, though, if there were no reporting service to supply the basic information essential to orderly marketing.

No, folks, it just won't work. The best protection a farmer has is the factual reporting service provided through your crop and livestock estimating service. Let's hope everyone uses the official reports, and let our concern be to provide better and more accurate facts for everyone to use. Let's not kid ourselves, anyway.

*S. R. Newell*

S. R. Newell  
Chairman, Crop Reporting Board, AMS



## Outlook

Heavy supplies and strong demand again characterize the farm market this fall. Export prospects are good, notably in cotton, citrus fruits, wheat, and fats and oils. Contributing are prosperity abroad, failure of some foreign crops, and Government export programs.

Domestic consumers are spending 5 percent more for food this year than last and consumer income is expected to increase with continued expansion in economic activity.

All-crop total was estimated on October 1 at close to 1955 and only a shade below the 1948 peak. Production is continuing heavy in livestock and poultry and dairy products. Though heavy marketings have depressed prices in recent months, index of mid-September prices received by farmers was a little above a year ago.

### Livestock

Production of livestock and livestock products in 1956 will break a record for the eighth consecutive year. Hog production is down from last fall but beef output is close to last year's high. More cattle were placed on feed this summer than last, and sales of short-fed stock are likely to rise for the next few months. This points to seasonal price reductions for choice and prime steers. Mid-October hog prices were a little above a year ago. Hog prices probably will move down more slowly this fall than last.

### Poultry

Production of eggs, broilers, and turkeys is at record levels for the season. Prices for each product in early October were below a year ago. USDA has purchase programs in operation for eggs and turkeys.

### Dairy

Milk production is at a peak rate. Milk and butterfat prices are again in-

creasing less than seasonally this fall but continue slightly above a year ago. Milk prices have gone up less than feed since last winter but milk-feed price ratio is still above average.

### Feed

Corn prices have declined more than seasonally with the new harvest. Feed grain prices in mid-September were up an average of 15 percent from a year ago. The price level probably will continue higher than a year ago this fall and winter, though not as much as in September. Total supply of feed concentrates is estimated to be slightly above the 1955-56 record and number of animals to be fed is slightly smaller.

### Fruit

Prices for oranges and deciduous fruits may run a little higher than last fall. Early and midseason orange crop is up 4 percent according to October estimates but exports are expected to increase. Deciduous production is down 1 percent with supplies of apples, grapes, and cranberries forecast smaller, but pears and dried prunes are higher.

### Vegetables

With production up 16 percent, fall prices of fresh vegetables are expected to be somewhat lower than a year ago. Bigger supplies than in 1955-56 also are in view for processed vegetables. Farmers are expected to harvest 11 percent more potatoes this fall than last, and farm and retail prices are relatively low. Drop in sweetpotato production points to materially higher prices than for the 1955 crop.

### Wool

Returns to producers will be above those of last year. Lower prices on the 1956 clip will be more than offset by incentive payments on the 1955 clip.

## RECORD EXPORTS FOR SOME CROPS

Feed grains and products, soybeans, cottonseed and soybean oils, tallow, fresh oranges, grapes, and hides and skins set all-time export records during 1955-56. A number of other crops did almost as well.

For many commodities the grower never had it so good as he did in last year's foreign market.

### Up 11 Percent

Total value of agricultural exports, \$3,493 million, was up 11 percent from 1954-55. They were 19 percent higher than in 1953-54. They were 24 percent higher than in 1952-53.

In quantity, they were the second highest on record. If cotton, with an unusually poor year, were excluded, it would be the highest on record.

Even with cotton, exports were up 17 percent, quantitywise, from 1954-55. They were 30 percent higher than in 1953-54 and 39 percent over 1952-53. They were exceeded only by the boom year of 1926-27.

Here's the way the recordbreakers shaped up:

Feed grains and products, 8.3 million short tons; soybeans, 70 million bushels; cottonseed and soybean oils, 1,016 million pounds; tallow, 1,330 million pounds; fresh oranges, 833 million pounds; grapes, 143 million pounds; hides and skins, 10 million pieces.

Other products made their best records in a substantial number of years. Cotton growers had to go back to the middle of World War I to find a better export year for lint. They rang up a figure of 231 million pounds, the highest since 1915-16.

The others ranked like this: Protein meals, 757 thousand short tons, best since 1926-27; rye, 7 million bushels, highest since 1928-29; canned fruit, 232 million pounds, highest since 1939-40; butter, 36 million pounds, highest since 1944-45; tobacco, 576 million pounds; and beef, 52 million pounds, in both

cases the best since 1946-47; nonfat dry milk solids, 237 million pounds, top figure since 1947-48.

Cheese with 38 million pounds, wheat with 341 million bushels, lard with 638 million pounds, and apples with 102 million pounds, all had their best export markets in the last 4 years. Raisin exports, 152 million pounds, were the highest in 3 years.

On the other hand: Dried peas, 42 million pounds, lowest mark in 14 years; cotton, 2.2 million 480-lb. bales, lowest in 8 years; canned vegetables, 100 million pounds, lowest in 5 years; prunes, 74 million pounds, lowest in 3 years; and potatoes, 376 million pounds, lowest in 2 years.

Records aren't usually broken in a great many commodities year after year. But export prospects for 1956-57 offer something even for the growers of some items that did not do so well last year.

To take just one example, CCC cotton is now being sold abroad at competitive prices. Last year's low export figure was blamed on the fact cotton prices were noncompetitive most of the year. Exports were aided by sale of 1 million bales of short staple starting in January 1956. Sales of all CCC cotton at competitive bid prices started in April and exceeded 3 million bales by July 31, but under terms of sale, shipments could not be made until August 1.

### Exports Doubled

It looks now as though last year's export figures will be doubled this year. Cotton lint is likely to come close to maintaining last year's record export pace.

Dried peas also are likely to do much better in the export market. U. S. production is expected to double and European crops will be small.

Wheat exports already are running ahead of the improved 1955-56 figure, on a comparative basis. This is due largely to Public Law 480 sales. U. S. production of wheat is expected to be up about 3 percent. But chances are, increased exports will take care of that—and perhaps more.

## Woman's Page



This would be literally true, according to a survey by the Bureau of the Census.

With today's mortality rate, the survey shows, it would be necessary for every 1,000 American women to bear 2,160 children to maintain the U. S. population.

Each 1,000 urban women are, on an average, bearing only 1,957 children. That isn't enough for replacement purposes.

However, it's a different story with rural women, particularly farm women. Each 1,000 farm mothers today have given birth to an average of 3,564 children.

Back in 1910—roughly the start of the generation that is in its physical prime today—farm women played an even more important role in renewing the American population. In those days, each 1,000 farm mothers bore, on an average, 5,553 children.

But mortality rates were higher in 1910, too. Today's situation is healthier—again literally. Today's farm mother has sturdier, even if fewer, children.

### Mom's Cooking

This won't surprise the average farm mom—but it should make her feel pretty good.

Rural farm families are spending only about \$17 a week for food, compared with \$30 a week spent by urban families.

The experts say this is because the average farm family produces so much food for itself while the average urban

family produces so little. Rural non-farm families come in between, both in food production and in costs. They spend an average of \$24.

But here's the kicker that should make mom very proud indeed: Urban families spend about \$5.75 of the \$30 for food purchased away from home. Rural nonfarm families spend about \$3.50 a week for the same purpose. Farm families spend only about \$2 of their \$17 a week for food away from home.

All three groups have to buy in the same markets and pay the same prices for food away from home. Conclusion: Mom's husband and kids on the farm like her cooking too much to need—or to want—to spend any real money to try anybody else's dishes.

### Wise Wife

Here is a hint on how you women can help yourself, and other families at the same time.

All farm families are consumers, of course, as well as producers. When you are doing the shopping for your family, remember to use the monthly list of plentiful foods prepared by the U. S. Department of Agriculture.

When the foods you grow are listed, the program helps to make a better market for you.

But you're wise to shop by the list, even when your foods aren't on it. When you buy plentiful foods, you help to increase demand for foods that are giving some farmer a marketing problem.

And, when the wheel turns, and the things you grow on your farm are plentiful, it's reassuring to know that other farm wives will be helping you, in turn, by buying the plentiful foods—boosting demand for your products.

**December Features: Broilers, Fryers, Potatoes, Canned Sweet Corn.**

**Other Plentifuls: Pork, Beef, Lard, Turkeys, Eggs, Cabbage, Onions, Canned Purple Plums, Winter Pears, Dates, Dried Prunes, Milk and Other Dairy Products, and Peanut Butter.**

## Tobacco Growers May Expect More Cigarettes To Be Smoked

Tobacco growers can anticipate that even more cigarettes will be smoked next year. But it appears that use of flue-cured and burley, the two principal cigarette tobaccos, will be just about the same as last year.

More cigars will be smoked than in any year since the late twenties. Tobacco exports are likely to remain above the average of most years since the end of World War II although probably some lower than last year. But last year's exports were the best in 9 years and the fifth highest in history.

### Large Supplies

Tobacco supplies are large in relation to disappearance. However, most kinds will be under marketing quotas and acreage allotments. The Federal Soil Bank program also will get into full effect next season.

Domestic use of smoking tobacco—used in pipes and in “roll your owns”—may be the lowest ever recorded. This, however, could be partially offset by good export sales of cut or processed tobacco in bulk form. Use of chewing tobacco will continue to decline, perhaps to the lowest mark this century. However, snuff consumption will probably continue stable.

That's the way the 1956-57 picture looks. In detail it breaks down like this: Cigarette output in this country is expected to approximate 425 billion this year. That's 3 percent higher than in 1955-56 and it is second only to the record 435½ billion recorded in 1952.

Domestic consumption figures to be 395 billion. That's about as good as the 1952 peak. National employment and personal incomes remain high and the Federal tax per pack of 20 is scheduled to drop from 8 cents to 7 cents next April 1 unless again postponed.

Some additional use also can be expected from new smokers. The number of males from 18 to 64 is increasing slowly—only about ¾ of 1 percent a

year. This group has a relatively high proportion of cigarette users.

However, there are two reasons why the consumption of more cigarettes probably won't increase the demand for burley and flue-cured in this country. One is the increasing popularity of filter tip cigarettes. The other is the more complete use of tobacco leaves, including stems or midribs. Both result in this: That more cigarettes are being made from the same amount of tobacco.

Cigarettes for overseas forces and exports are likely to run close to 30 billion, which is just about the same as last year. Commercial exports of unmanufactured tobacco may be 10 percent off the 640 million pounds (farm-sales weight) recorded last year. But last year's export figure was the best since the 1946-47 marketing year.

Public Law 480 programs helped tobacco exports last year and they will be a help this year. But there are also some unfavorable factors in the picture.

One is that prices of some of the traditionally medium-priced grades sought by some countries have advanced sharply here at home during the last year or two because there is more of a demand for them here.

### More Competition

Another is that many countries competing with us on the foreign market are increasing their production. Our four principal competitors upped their combined flue-cured production 17 percent over last year. That figures to about 77 million pounds. Most of this increase has come in Canada and Southern Rhodesia.

Finally, a number of countries have various restrictive measures that affect American tobacco. In Great Britain, for example, tariffs are so high that an Englishman pays 53½ cents for each pack of 20 cigarettes.

However, there are also good factors in the export situation. Consumption

is increasing abroad. Times are good, too, outside this country and that should stimulate sales.

There's likely to be a 9-percent drop this year in the output of smoking tobacco for "roll your owns" and pipes. This would mean a new domestic low of 73 million pounds.

However, exports of manufactured smoking tobacco in bulk form have been going up. They were only 1½ million pounds in 1949-50, but they reached nearly 6¼ million in 1955-56. During the first 7 months of 1956, exports were running 4 percent above the first 7 months of 1955.

This includes especially prepared cigarette tobacco, cut or granulated tobacco, partially process-blended tobacco, and shredded tobacco. The principal customers are Spain, the Philippines, Indochina, Australia, and a number of Latin American countries.

### Cigars Up

Cigar consumption at 6.3 billion hit the highest mark since the late 1920's. This would be a 3 or 4 percent boost above the 1955-56 figure.

The growing popularity of cigarillos partly accounts for this. They are smaller than the traditional cigar and sell for less than most cigar brands. Manufacturing costs on some cigars are being reduced. That's because the trade is using "Manufactured binder sheet" in place of natural leaf binders. Prices haven't changed much in the cigar field for the past few years.

However, the number of cigars manufactured in Puerto Rico for the American mainland market is likely to go up. It may reach 100 million this year, which would be the highest figure since 1931.

Output of chewing tobacco is estimated at 77 million pounds. This would be the lowest mark this century and a drop of 2 million pounds below 1955-56. The downward trend here has been apparent many years even though manufacturers' prices actually dropped slightly about a year ago. However, exports, principally to Aus-

tralia and the Philippines, may be up somewhat from last year's 1.6 million pounds. The year's snuff output may drop off about 2 percent to approximately 38½ million pounds. Although declining per capita-wise, snuff consumption in the aggregate stays relatively stable. There might be a slight increase in output in 1957.

Supplies of nearly all kinds of tobacco are large relative to disappearances.

Total supply of flue-cured—3,587 million pounds—is higher than last year and a record. Burley supplies at about 1,800 million pounds are down a little from 1955-56, although still at a high level.

The potential supply of Maryland tobacco at about 120 million pounds is the largest on record.

Dark air-cured (including sun-cured) tobacco supplies are the largest for many years. The figure here is 118 million pounds. The supply of fire-cured tobacco at 205 million pounds is up slightly from last year and the largest in 4 years.

Supplies of continental cigar filler tobacco, figured together at 187 million pounds, are down somewhat from last year. Supply of cigar binder types, 142 million pounds, is the lowest on record.

### Price Support

Government price supports for the kinds of tobacco under marketing quotas and allotments are at 90 percent of parity except for fire-cured, dark air-cured, and sun-cured. These are at 75 percent of the burley loan level for fire-cured and 66⅔ percent of the burley loan level for the others.

Producers of cigar filler and binder types grown mainly in Ohio, Wisconsin, and the Connecticut Valley are to decide by referendum before next planting season whether they favor marketing quotas on their next 3 crops. At least two-thirds of the growers voting must approve if quotas are to continue.

Arthur G. Conover  
*Agricultural Economics Division, AMS*



## DO YOU SELL YOUR SHARE OF ONIONS?

Onion growers are producing more late-summer or storage onions on fewer and fewer acres. But despite this increase in volume they are not quite keeping pace with the increase in population. The gap, though small, is being filled by early onions—principally from Texas and California.

Here is how the statisticians summarize the situation:

Production trends in late-summer onions are up slightly because the increase in yield per acre has a little more than offset the downward trend in acreage. But late-summer production has not kept pace with a population that is increasing at the rate of 2 percent per year.

The demand for dry onions is relatively inelastic. To a large extent, low prices do not stimulate consumption; neither do high prices discourage it. As a result, per capita consumption has remained fairly stable. For recent years, the average for every man, woman, and child in America has been about 12 pounds per year. More of these are early onions—marketed during the spring and early summer months—than formerly. Here is what the reports show:

During the past 12 years, the average yield of late-summer onions has increased at the rate of nearly 12 sacks per acre per year. In the 6 years 1944-49, it required an average of 63,000 acres to produce 30 million sacks of late-summer onions. In the last 6 years, including last year, it required an average of only 55,000 acres to produce the same 30 million sacks.

Last year's acreage was 56,000—a production of nearly 32 million sacks. Acreage this year will again be about 56,000—with 33.8 million sacks.

There are 5 potential customers for onions today where there were only 4 customers in 1944. But with fewer late-summer onions per person we are eating more early-season onions. For the 6 years 1944-49, the late-summer crop accounted for about 74 percent of our annual supply. During the last 6 years,

this figure dropped to an average of 72 percent.

Over the years, the March intended acreage reports have provided late-summer onion growers with a valuable guide in planning each year's acreage. These reports are based partly on estimates of growers and shippers as to the acreage that will be planted in their area. To this are added statements of individual growers as to the acreage they intend to plant.

But all this information is interpreted on the basis of past performance. As every onion grower knows—only too well—there are many hazards between plans and performance: Unusual weather conditions, price changes, labor supply problems, financial conditions.

Despite these hazards the Crop Reporting Board's intentions reports have come remarkably close through the years both in measuring year-to-year fluctuations and the long-time downward trend in acreage. This year, the intentions estimate was less than 1 percent off.

Irvin Holmes  
*Agricultural Estimates Division, AMS*

## MORE MONEY IN HYBRID ONIONS

Hybrid onions, though still comparatively new, are greatly increasing the efficiency of American onion growers. Some of the newer hybrids increase returns by as much as \$500 an acre. Advantages: A longer onion harvest (particularly in the South), heavier yields, greater resistance to disease with consequent reduction of field and storage losses, a more uniform maturity.

In the near future—perhaps in the spring of 1957—sufficient seed of a number of hybrids will be available to meet demands. Hybrid transplants also will probably be available to home gardeners next spring.

# HOW MANY PEANUTS CLING TO PEGS IN EARLY GROWTH?

Peanut growers—particularly those who produce the type of peanuts popular with baseball fans—will be interested in a new series of objective yield studies just launched by Agricultural Marketing Service in cooperation with North Carolina State College in Northampton County, North Carolina.

The goal: To determine how many peanuts which cling to the pegs in the first weeks of growth actually reach the market after the grower has brought the plant to maturity, picked it, and threshed it.

In short, the studies will determine how closely it is possible to estimate yield at each stage of growth. At present, AMS says, forecasters know very little about the relationship of plant characteristics to final yield or the number of peanuts that are lost before the crop goes to market.

In making the study, AMS will follow essentially the same type of operation that is proving itself on a number of other crops—most recently in cotton, corn, fruit, and nuts.

Using random selection, field crews under supervision of North Carolina State College began operations on measured portions of two row sections in each of 40 peanut fields. Monthly checks were made to discover how many peanuts the plants were carrying at

successive stages of growth. The number of pegs also was checked. In this way, a pretty good idea was obtained of the rate of loss in early stages and the rate of net increase.

When the crop was dug, a count was made of the measured row sections, and plants from these sections, tagged, went into the general stack. At threshing time, the tagged plants will be checked to find out how many peanuts were lost during the curing period.

How did baseball fans get into this?

Well, the first yield study is being made in an area in which Virginia type peanuts predominate. Many of this type peanuts end up in bags in baseball parks. Other types of peanuts—generally speaking those found further south and west—are most frequently used for peanut butter or appear in various kinds of candy.

Could be that some of today's tagged peanuts will be showing up at World Series time, come a year from now.

## Farmer's share of consumer's food dollar

September 1956-----	40 percent
August 1956-----	41 percent
September 1955-----	40 percent

## FARMERS' PRICES

Indexes (1910-14=100)	1955		1956			
	Oct.	Year (average)	July	Aug.	Sept.	Oct.
Prices received by farmers .....	229	236	244	237	236	234
Parity index (prices paid, interest, taxes, and wage rates) .....	280	281	287	288	287	287
Parity ratio .....	82	84	85	82	82	82

## In This Issue

	Page
Cattle Shrinkage.....	1
Cotton Classification.....	4
Alfalfa Seed Down.....	5
Popular Vegetable Seeds....	6
Honey Production.....	7
More Oranges Exported....	7
"Bert" Newell's Letter.....	8
General Outlook.....	9
Record Exports.....	10
For Women Only.....	11
Plentiful Foods.....	11
Tobacco Situation.....	12
Onion Production.....	14
Peanut Survey.....	15

Permission Is Given To Reprint  
Articles In This Publication

Editor: Jack L. Flowers  
Assistant: Marcelle Masters

UNITED STATES  
DEPARTMENT OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE  
WASHINGTON 25, D. C.  
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID  
PAYMENT OF POSTAGE, \$300  
(GPO)

UNIVERSITY MICROFILMS  
EUGENE B. POWER  
313 N. FIRST ST.  
ANN ARBOR  
MICH 48106